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While Capitol Hill continues its waxing and waning, boards have perhaps more questions than ever about their role in accelerating their organization's progress towards population health and value-based care. How far should we go? How many changes can we make and/or prepare for now without bankrupting ourselves? Should we wait and see how things shake out? It is a risky time in healthcare, but the opportunities for innovation that were made possible by the ACA still exist and there remains strong agreement that, while the insurance market may be on thin ice, the need to continue pushing towards lower cost, higher quality care delivery is not diminishing.

Our lead article demonstrates one way to create cross-continuum partnerships to further value-based care and population health without having to be a system that "owns" everything; another article addresses the related importance of mental health in the population/value-based care journey. This issue includes a policy update with strategic recommendations for remaining flexible and prepared for fluctuations in reimbursement, while still maintaining focus on value-based payment models, which will continue to shape how providers need to deliver care. And as we all know, but may be reluctant to admit, the digital revolution in healthcare is no longer "coming"—it has arrived. The special section considers steps for boards to take in the digital realm to enable long-term growth through improved customer access, affordability, and experience. And with digital innovation comes consumer loyalty, an increasingly important leg in the revenue stool, which is covered in this issue's Advisors' Corner column.

Kathryn C. Peisert

Kathryn C. Peisert, *Managing Editor*

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Forming Strategic Partnerships across the Continuum of Care

BY WILLIAM H. CONSIDINE, FACHE, AKRON CHILDREN'S HOSPITAL

Since it was founded in 1890 as a nursery, Akron Children's Hospital has evolved into the largest pediatric healthcare system in northeast Ohio, operating two pediatric hospitals, nearly 30 pediatrician offices, and about 60 urgent and specialty care locations across the region.

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Key Board Takeaways

Healthcare boards should consider the following advice when forming strategic partnerships with non-hospital organizations and other services across the continuum of care:

- Review your vision and mission statements often.
- Consider whether a partnership will advance your organization's mission and vision.
- Measure your organization's bottom line by your mission.

Our pediatric clinicians provided more than 1,000,000 patient visits last year, drawing infants, children, teens, and adults from across the country and around the world.

William H. Considine, FACHE
President and CEO,
Akron Children's Hospital

Although we touch the lives of thousands of families each year by providing children with quality, family-centered care, our mission goes beyond traditional patient care activities. We strive to enhance the quality of life for all children by keeping them healthy, happy, and safe through an array of programs and outreach activities in collaboration with healthcare networks, community organizations, and businesses at the local, state, and national level.

Mission-Driven Initiatives

Akron Children's founders endeavored to keep three promises to the children for whom they cared: 1) we promise to treat every child that comes through these doors as if that child is our own; 2) we promise to treat you the way you want to be treated; and 3) we promise never to turn a child away for any reason. Although the cost of care at Akron Children's is no longer 10 cents a day, I can tell you those promises are still alive and well.

We start every board meeting by reviewing those promises, followed by our mission and vision statements. Our mission is fivefold: to provide family-centered medical care, multi-level professional education, basic and clinical research, community service, and child and family advocacy efforts.

As a value-based, mission-focused organization, Akron Children's and its board focus on fulfilling the five areas of its mission when forming strategic partnerships with non-hospital and other service organizations.

Education

Education is very important to us. As such, we have great relationships with the universities in the area and are a major teaching affiliate of Northeast Ohio Medical University, which our board was involved in forming more than 40 years ago. These relationships help us train future generations of pediatricians and specialists.

Our educational endeavors even reach as far as Haiti, where Akron Children's has been working with St. Damien Pediatric Hospital near Port-au-Prince since the 2010 earthquake. What began as an outreach effort to help care for the quake's youngest victims has evolved into a partnership including a network of 10 U.S. children's hospitals that support St. Damien by creating a pediatric residency program, and sponsoring and training the country's first pediatric cardiologist.

But, investment in education has to extend beyond colleges and medical schools.

Akron Children's also operates school health services in nearly 30 school districts by providing pediatric registered nurses and school aides. These nurses and aides work with school staffs to ensure a comprehensive school health program is in place.

Additionally, Akron Children's and Akron Public Schools are partnering to create a healthcare academy at North High School and further develop offerings to expose high school students to careers in health systems.

Research

When you see as many patients as we do, you need to have the discipline to look at what's causing disease, what can be done to treat it, and what can be done to prevent it. Therefore, research is key to what we do and how we do it.

To this end, we are working to immunize more children and are looking at preventive measures we can take in areas such as the opioid epidemic and youth violence. We work in partnership with local health departments, regulatory and judicial agencies, and organizations such as the Child Advocacy Center. The center provides medical and forensic evaluations for children and teens who may have been physically or sexually abused, as well as complete medical evaluations for children in foster care.

Community

Akron Children's was founded on the principle of serving the needs of our community, which means treating all children as if

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What's Next for the ACA? Disentangling the Policy Puzzle

BY CORAL T. ANDREWS, FACHE, RN, M.B.A.

On March 24, 2017, all eyes were on Washington as the House GOP took up the vote on the American Health Care Act (AHCA) of 2017 measure to repeal and replace the Affordable Care Act (ACA).

Politically, this was a key campaign promise that President Trump committed to his constituents. By the end of the day, the House GOP had failed to garner sufficient votes to ensure its passage and the measure was pulled.[1] Roll the narrative forward to May 4: the House brought a revised version of the AHCA, H.R. 1628, to the floor. It passed with a narrow margin of 217–213 and now it moves on to the Senate.

While the process of negotiating diverse policy positions between conservatives and moderate Republicans in the House majority failed to achieve consensus initially, it did offer a peek into what lay at the heart of each group's key policy differences. Conservatives generally believe that federal government mandates are overreaching while moderates fear the impact of rolling back Medicaid expansion coverage, which they anticipate would have a negative impact on their constituents. The House vote on the AHCA failed to garner support from House Democrats and 20 House Republicans voted no.[2]

Constituent groups and consumers are keeping their congressional members' offices abuzz as they remain vigilant in their advocacy efforts to ensure those parts of the ACA that are critical to fulfilling the key tenants of the law remain intact: access to coverage through the marketplaces, no denial of coverage for pre-existing medical conditions, dependent coverage up to age 26, enhanced affordability, and an array of plans that include essential health benefits.

According to a Gallup poll reported on April 4, 2017, the ACA gained a majority approval for the first time: 55 percent of Americans approve of it. Moving away from the ACA, at a time when the law is gaining favor and traction, and moving toward the AHCA "repeal and replace" measure is difficult politically and from a policy perspective.

1 Mike Debonis, Ed O'Keefe, and Robert Costa, "GOP Healthcare Bill: House Republican Leaders Abruptly Pull Their Rewrite of the Nation's Healthcare Law," *The Washington Post*, March 24, 2017.

2 Kim Soffen, Darla Cameron, and Kevin Uhrmacher, "How the House Voted to Pass the GOP Health-Care Bill," *The Washington Post*, May 4, 2017.

From ACA to AHCA: How Do We Get There without Disrupting the Market Further?

Sound policy development starts with a clear vision in mind. Devising policy from the bottom up is process improvement not policy development. Making targeted political changes to parts of the ACA, without leveraging objective measures, imposes unnecessary risk and uncertainty in its ability to yield improvements in the "Obamacare problems" that Congress is seeking to solve. The art of policymaking necessitates the balance between leadership, informed decision making, and ethics.

Broad health policy reform, to be successful, necessitates that we have the "long view" in mind. What are the goals that we are trying to achieve and the problems that we are trying to solve? Striking parts of the existing law and simply renaming it do little to yield a cohesive outcome. Redistributing dollars within the healthcare ecosystem from one group to another is not a fix. We need bipartisan consensus. The integrated statutory and regulatory components of the ACA add complexity to the process of decoupling it. Unreasoned change puts pressure on an already stressed healthcare system. Unraveling the tethered components takes time and due diligence. It's a *policy puzzle*, jumbo in size with thousands of interlocking pieces.

Envisioning a transformed healthcare system needs to start with the community in mind. For too long, policies that sought to define the "vision of a transformed healthcare system" have been nothing more than cobbled together incremental policy changes over time. Individual changes lack a cohesive and unifying strategy. The process to achieve change has been one that yielded to the most influential advocacy groups. Repealing and replacing the ACA is a continuation of that imperfect incremental political process that doesn't create a clear vision for the delivery of care. Devising sound policy necessitates that we do more than pitch out ideas and weigh in with pressure to ensure that the outcome flows to the most influential advocate.

During this period of disruption, governance bodies must remain vigilant. Strategic planning should incorporate a steady state view while also making assumptions on what may emerge from Congress in the month ahead.

Be an advocate and offer up viable policy considerations to your Congressional members. While addressing the acute risks, utilize those conversations and correspondence to drive forward with innovation. Contemplate new roles or possibly modified roles for "players" in the healthcare market. With fixed dollars to go around, what needs to change to ensure that all efforts lead to consumer value? Is it time to revisit the role of issuers? Who owns the responsibility to manage care? Where does consumer choice factor into the assumptions? Does the investment in a new health

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Key Board Takeaways

While efforts to repeal and replace the ACA are underway in Congress, the future health policy direction for our nation remains uncertain. The consumer response to the recently passed House version of the AHCA will result in a recharged advocacy effort that will be directed toward the Senate. It may add clarity to constituent expectations as the Senate undertakes revisions to H.R. 1628. As boards prepare for whatever lies ahead, they should consider the following:

- Be positioned organizationally to "turn on a dime" as incentives and disincentives are realigned in the federal law and budgetary assumptions change. The CBO did not score H.R. 1628.
- Be a convener. Effective stakeholder collaboration is essential to driving success in this current ACA environment.
- Consider strategic plans that are tied to a shorter lifecycle. They will need to be dynamic and relevant in this period of change. A clearly articulated vision will serve as the organizational anchor and aid in weathering the policy storm.
- Value-based payments will continue to shape how providers deliver care. Orient your strategic plan toward outcomes that deliver value to your community's overall health and well-being.

Going Digital with the Connected Consumer: Five Considerations for Governance Teams

BY DAN CLARIN, CFA, AND PAUL CRNKOVICH, KAUFMAN, HALL & ASSOCIATES, LLC

The digital revolution in healthcare is not coming, it's here. News about advances such as the following appear regularly:

- A community of users has solved a problem.[1] A do-it-yourself parent developed computer code that enables him to monitor his child's blood glucose readings through mobile technology in real time. A Web site with a telling name—Nightscout#WeAreNotWaiting—provides other parents of children with Type 1 diabetes with the code, written instructions, and videos to launch the system to monitor via smartphone, smartwatch, or a Web site. No assistance from healthcare professionals is needed.
- A two-minute virtual visit with an informed doctor has arrived.[2] More than seven million patients can access a platform that lets them upload information and images. When combined with their medical record, it uses an algorithm to suggest a likely diagnosis. A physician receives that information electronically and can select the appropriate diagnosis and treatment plan or enter a new one. The doctor then "meets" with the patient and sends a prescription to a pharmacy—within less time than it takes to fill a car's gas tank.
- A "lab on the skin" is coming.[3] A new wearable bioelectronic device that looks and feels like a tattoo uses sweat analysis to allow consumers to monitor their health on the spot. It makes measurements that "quantitatively match those of gold-standard hospital instruments" and potentially will be used more broadly for disease diagnosis.

Information-savvy consumers with mobile-first expectations have emerged as the driving force in a world of constant innovation and change.[4] They use a smartphone to review lab results on MyQuest, refill a prescription through CVS Pharmacy Online, compare provider prices and quality through guroo, and "see" an Amwell telehealth doctor 24/7.

The Digital Proposition for Leadership Teams

Legacy hospitals and health systems are facing disruption that threatens core and ancillary services. (See sidebar on the following page for examples of non-traditional competitors.) New standards for healthcare access, experience, and price are imperative. This reality is pressing senior leadership teams to make significant investments in new technology or partner with a company to gain new mobile and digital tools to improve their organization's position. Requests for digital investments that may require significant capital are coming from the managers of many different departments and services. Expensive digital initiatives may be occurring as uncoordinated silos of activity with many one-off investments being made.

Boards of directors need to be asking the right questions about whether the organization has an overall digital/mobile strategy.

Consideration of the desired outcome of such a strategy will help board members step back from the buzz of requests, trends, and technology to evaluate how investments in mobile and digital health support the organization's long-term goals.

Key Board Takeaways

The digital revolution in healthcare is not coming, it's here. Information-savvy consumers are using smartphones to review lab results, refill a prescription, compare provider prices and quality, and "see" a doctor 24/7. Boards will need to take action now to ensure their organizations are reaching the connected customer. A few points to consider:

- New standards for healthcare access, experience, and price are imperative. Legacy hospitals face disruption that threatens core and ancillary services.
- Boards of directors need to be asking the right questions about whether the organization has an overall digital/mobile strategy.
- Growth should be the strategy behind digital investments. Directors must evaluate how investments support the organization's long-term growth through improved consumer access and experience, affordable care, extended geographic reach, and new products and channels.

1 Joyce Lee, Emily Hirschfeld, and James Wedding, "A Patient-Designed Do-It-Yourself Mobile Technology System for Diabetes," *JAMA*, April 12, 2016.

2 Shelby Livingston, "The Two-Minute Virtual Doctor Visit," *Modern Healthcare*, March 4, 2017.

3 Megan Fellman, "Researchers Develop Soft, Microfluidic 'Lab on the Skin' for Sweat Analysis," *Northwestern*, November 23, 2016.

4 *State of the Connected Customer*, Salesforce Research.

Examples of Non-traditional Competitors in Digital Healthcare

- Smart Choice MRI, which offers 15 imaging centers in Illinois, Wisconsin, and Minnesota. MRI scans are guaranteed to cost $600 or less with expert interpretation by a Cleveland Clinic Radiologist and the availability of early morning, evening, and weekend appointments. Scan results with a copy of the scan are available to patients within 24 hours of the scan.
- Walgreens is applying online games to improve diabetes care. Its platform includes contests, prizes, quizzes, surveys, and health tips. Aware of the importance of contemporary digital engagement with consumers, the retail giant is positioning itself to be the provider of choice for non-physician services for patients with chronic conditions.
- IBM Watson is partnering with many types of entities to bring consumers precision and personalized medicine. For example, IBM and Quest Diagnostics are offering a solution for physicians that helps them provide precision cancer treatments featuring genetic-sequencing services from Quest and cognitive analysis by Watson. Similarly working with Watson, Medtronic is creating an app for the more than 415 million people worldwide with diabetes. It will use data from sensors, insulin pumps, wearables, and scientific studies to help predict potential hypoglycemia hours in advance.

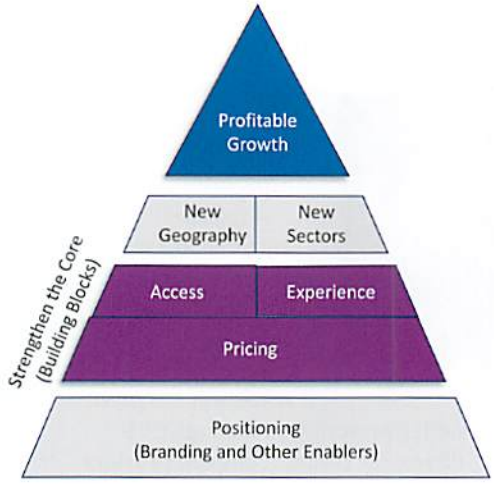
Sources: https://smartchoicemri.com; J. Duncan Moore, "Walgreens Wants You to Take Your Pills," *Crain's Chicago Business*, August 16, 2016; IBM Watson, "With Watson, the World Is Healthier," *Wall Street Journal*, March 16, 2017.

Growth as the Desired Outcome

The strategic vision and integrated strategic-financial plan for most hospitals and health systems involve achieving profitable growth to deliver on a core mission as a healthcare provider in the communities served.

Traditional healthcare provider growth has been *supply*-driven, based on profitably expanding the number of facilities, clinicians, and technology that organizations could offer in the community. In today's rapidly changing competitive environment, the growth model is becoming *demand*-driven, based on what consumers need and ask for. Responsible for a greater portion of healthcare costs and leading busy lives, consumers expect mobile-enabled access to health and healthcare services.

Exhibit 1:
Healthcare Provider Growth Pyramid™



Source: Kaufman, Hall & Associates, LLC. Used with permission.

The key to growth is understanding what consumers want in a specific region and delivering that in core competency areas. Growth objectives will vary by organization type and location, whether an independent hospital, a health system, an academic medical center, a critical access hospital, or a public hospital.

Kaufman Hall's Healthcare Provider Growth Pyramid™ (see **Exhibit 1**) offers a structure for the important components of achieving that outcome or goal for all organizations. Mobile devices and digital tools are foundational means or enablers to engage consumers, manage the cost of care, and achieve profitable growth. Moving up the pyramid, mobile and digital health investments support healthcare's new value proposition of improved **access**, **experience**, and **affordability** (pricing). Strengthening these core building blocks through use of digital technology enables organizations to expand their reach into **new geography** and enter **new sectors**, such as through new products and channels.

A close look at these five areas of the pyramid and answering key questions with each will help governance teams to ensure that mobile/digital initiatives align with the organization's strategic growth objectives.

1. Access

Enabling more consumers to gain access to care from your organization is a key driver of growth. Historically, improvement in this area has required major investments to build physical access points (i.e., buildings) and hire clinicians. While these investments will still be required going forward, mobile devices and digital tools allow providers to enhance consumer access in three complementary ways.

Better use of existing provider capacity. During downtime at walk-in clinics, for example, clinicians can answer patient emails, conduct video visits, or advance asynchronous virtual visits, meaning the doctor and patient don't have to be together virtually or physically at the same time. For example, physicians in clinics associated with the Massachusetts General Hospital manage the care of patients with chronic conditions through asynchronous visits.[5] The patient provides answers to specific questions on a secure Web site; the physician reviews and communicates next steps within a day.

Easier communication and scheduling. Consumers want to access their providers in ways and at times convenient to them. Through online medical appointment scheduling and secure online messaging, consumers can set up doctor, lab, or testing appointments from wherever they are, and communicate with their providers between visits. According to the American Hospital Association, although an important way to improve consumer access, less than half of hospitals nationwide have a system that allows their patients to schedule appointments online; secure patient–provider messaging with hospital-based providers is available in about 60 percent of hospitals.[6]

Bringing care to the patient. Mobile apps and on-demand video visits enhance consumer access and extend physician reach by providing care wherever the consumer wants it rather than requiring him or her to come to the provider. The use of telehealth and other digital health tools to manage chronic conditions will continue to increase as consumers exert control over their health and providers seek to reduce costs and improve outcomes by managing the care of patients with chronic conditions in non-acute or rural settings.[7] For example, Dignity Health uses its telemedicine network to broaden the reach of its specialists to smaller community hospitals.[8]

5 Susan Hall, "Asynchronous Virtual Visits Adept for Routine Care," *Fierce Healthcare*, September 9, 2014.
6 "Individuals' Ability to Electronically Access their Hospital Medical Records, Perform Key Tasks Is Growing," American Hospital Association, *Trendwatch*, July 2016.
7 *Technology Advances Continue to Drive Growth in Digital Health*, Validic, January 2017.
8 Shelby Livingston, "Tapping Telehealth for Complex Cases," *Modern Healthcare*, March 20, 2017.

Key Questions:

- *What is the organization currently doing to better understand consumer needs and how they want to access services related to those needs, whether in-person or virtually?*
- *Does the organization offer online medical appointment scheduling and secure online messaging? If so, what proportion of patients use these tools and how effective are they? If not, why not, and is there a plan to offer these services?*

2. Experience

Once a consumer has chosen and accessed a hospital or health system, the organization must provide that consumer with the best possible experience during service delivery and post-use interactions. High patient satisfaction is the most reliable means of achieving loyalty and driving growth through a bigger share of the consumer's total healthcare spending on an ongoing basis. Mobile devices and digital tools are creating new patient experience standards. Some examples are listed below.

Wayfinding. The 322-acre National Institute of Health Clinical Center in Bethesda, Maryland, has a wayfinding app called "Take Me There" to guide patients and their families to all departments, clinics, and 40,000 staff members.[9] This alleviates common concern and stress about navigating a large campus. Similarly, but with a one-facility focus, Kaleida Health, a large system in western New York, added experiential wayfinding to its app for the system's new children's outpatient center.[10]

Feedback. Community Hospital of the Monterey Peninsula in California encourages patients to download a barcode scanning app on their smart devices that allows them to provide real-time feedback about their experiences.[11] The patient's input becomes actionable information that staff responds to and addresses—often within minutes of when a patient raises a concern. This enables the organization to improve performance in all areas, from registration to discharge.

Distance and wait times. Inova Health, serving the Washington, D.C. metropolitan area, has a mobile app that allows users to estimate drive times to Inova's emergency rooms and hospitals based on current location and traffic. The app also lets them see and compare wait times at emergency rooms and urgent care centers, and check into a convenient Inova urgent care facility.

Transportation. Through a collaborative arrangement, 10-hospital MedStar Health, also in the D.C. metro area, prominently displays on its Web site a "Ride with Uber" button.[12] Patients' use of the button enables them to quickly determine the wait time and approximate cost of a ride and then request one to or from a hospital or the hundreds of outpatient sites in MedStar's system. Patients also are able to set up a ride reminder to automatically notify them an hour before their appointment.

Key Questions:

- *What consumer research techniques does the organization use to learn about aspects of the patient experience that could be improved through digital tools?*
- *Has the organization evaluated and prioritized consumer pain points in order to inform high-impact investment in digital solutions?*

3. Affordability

As healthcare costs rise and shift to individuals and families through high-deductible health plans, mobile devices and digital tools offer consumers assistance, both by providing price information and making the care itself less costly.

The consumer's cost. Price-estimator and transparency tools are now offered by hospitals and health systems, employers and payers, and public sources. For example, ProMedica, Priority Health, and Mercy Health are among many other providers that have an online cost-estimating tool for treatments or procedures at their hospitals. Price transparency tools are available to insured individuals through employers and insurance companies. Publicly available cost estimators, often coupled with quality data, are available through guroo, which was created by the Health Care Cost Institute; Amino, which provides "detail stats" about every doctor in America; Healthcare Bluebook, which serves employers and consumers; and many other companies.

Less costly care. Mobile handheld tools offer consumers a convenient way to complete the examination and diagnostic requirements of a clinic visit, without ever leaving the home or office. For example, a MedWand™ telemedicine device, used with patients in a nursing home or by individuals in their own homes, allows a doctor to hear hearts and lungs, and look at ears, eyes, nose, and throat in a private video consultation. The $250 device can automatically notify the doctor if any clinical data exceeds boundaries, allowing timely medical intervention. Or, for a $99 one-time charge, Kardia Mobile from AliveCor enables consumers to take a medical grade EKG in 30 seconds, to know immediately if their heart rhythm is normal or if atrial fibrillation is present.

Mobile devices are proliferating for care teams as well, increasing efficiencies and other benefits. For example, TigerText has a comprehensive communications device that enables healthcare professionals to send and receive real-time alerts and messages, among other functions. These functions improve collaboration with coworkers and enable clinicians to get more done in less time.

Key Questions:

- *What price information is made available to consumers via the Web or a mobile app, in advance of and following their in-person or virtual visits? How does that price compare competitively?*
- *How is the organization using mobile and digital tools to reduce the cost of delivering care?*

4. Geographic Reach

Historically, most providers have considered their geographic service area to be their "market." Under traditional thinking, expanding geographic reach would require acquiring a hospital or building a new one in a new area.

Mobile devices and digital communications change the concept of reach entirely, allowing health systems to offer site-to-site and provider-to-provider telehealth solutions, without investment in bricks and mortar at each location, both within their network and beyond. For example, St. Louis, MO-based Mercy Health has a virtual care center that offers on-demand video visits that extend the legacy of this nearly 200-year old health system to clinicians and patients across the Mercy system and in outside health systems.[13] The suite of telehealth services includes ICU monitoring 24/7, telestroke with on-call neurologists, and teleperinatal for high-risk expectant parents.

9 Heather Mack, "NIH Taps Connexient for Hospital Wayfinding App," *Mobihealthnews*, July 6, 2016.

10 "Kaleida Health Adds Experiential Wayfinding to App Using Jibestream's Indoor Intelligence Platform," Yahoo Finance, March 17, 2017.

11 Dan Clarin, et al., "Elevating Your Organization's Consumerism IQ," *hfm*, August 2016.

12 "MedStar Collaborates with Uber to Provide a New Option for Accessing Care," MedStar Health, January 7, 2016.

13 Livingston, 2017.

Mobile devices and digital communications create opportunities for engaging new customers without limitations related to distance. Thus, contemporary thinking about the expansion of geographic reach involves entering a new market, perhaps first with a virtual offering such as a telehealth visit that provides free consultation and information, then followed by primary care offices, urgent care, or other ambulatory offerings, or not.

Many providers are making "white-label" arrangements with a telemedicine company for video visits that privatize the telemedicine platform on the provider's own Web site. This allows the providers' branding to be maintained and the site can be easily configured. For example, through TreatMD, physicians or hospitals can set themselves up for phone, video, or in-person visits and can market these offerings in adjacent geographies where they may not have physical assets.

Mayo Clinic has extended its brand worldwide through affiliation arrangements with more than 100 hospitals that contract for the clinical services they use from Mayo Clinic. These include eConsults that connect providers electronically with Mayo Clinic specialists and AskMayoExpert, a point-of-care tool that gives providers 24/7 access to Mayo-vetted information via desktop computers or mobile devices. For consumers worldwide, Mayoclinic.org is the number-two most-visited Medicine Web site, making the organization's reach an international one.[14]

Key Question:

- *What is our provider-to-provider and direct-to-consumer strategy and what role do digital and mobile devices play in that strategy?*

5. New Sectors

Mobile healthcare offers the opportunity to enter new sectors through new products and channels. Leadership teams need to understand the magnitude and nature of healthcare spending via mobile and digital devices and determine whether the organization can benefit from serving potential customers through such means. While health systems may have strong local inpatient market share, they may be capturing a relatively smaller portion of the overall healthcare spend, which includes virtual care.

As described earlier, many organizations are developing or partnering with technology providers to offer apps, virtual visits, and other digital health and healthcare tools that meet consumer needs and build loyalty. Also prevalent are partnerships with or for retail clinics that offer low-acuity care as an alternative to higher-cost ED care or a primary care office visit.

For example, in a partnership with Walgreens to improve patient access, Advocate Health Care now owns and operates 56 retail clinics inside Walgreens' stores across the Chicago area. These Advocate Clinics are part of Advocate Medical Group, using the same electronic health record and advanced practice nurses. "In the first four months, more than 70 percent of patients had no prior relationship with Advocate, so that is a 'win' for us," says Lee Sacks, M.D., Executive Vice President and Chief Medical Officer.[15] Dr. Sacks describes the aim as providing online connectivity with instant access, and a seamless experience for consumers: "The health system is learning through the retail clinics how to use digital messaging to help individuals manage chronic disease."

Key Question:

- *Which mobile or digitally based services have been developed based on consumer input (or not) and how are they performing?*

Evaluating the Organization's Digital/Mobile Strategy

Growth should be the strategy behind investment in digital and mobile tools. The answers to the eight questions above will help boards of directors evaluate how investments in mobile and digital health technology support the organization's long-term growth goals through:

- Improved consumer access
- Enhancing consumer experience
- Making care more affordable
- Extending geographic reach, and new sectors

"For many organizations, moving into the mainstream of digital healthcare will have all the challenges of a standing broad jump," note Kenneth Kaufman, Chair of Kaufman, Hall & Associates, LLC, and Chris Young, Vice President of New Virtual Market Development and Incubations at Ascension. "They will need to access significant market intelligence, capital, and talent in short order."[16]

Relatively few small organizations have the financial and human resources to introduce digital technology to accomplish simultaneously or in combination all of the desired objectives—improved access, lowered care costs, enhanced consumer experience, and extended geographic access and products delivered. In many cases, a partnership approach will be the best way to provide customers with desired digital services. Doing nothing is not an option.

In all cases, a business plan should define partnership objectives, identify best-fit partners, quantify the required strategic human and capital resources, project ongoing requirements, calculate key risks, and identify potential exit strategies and related performance measures.

This leads to the final important question: How are our digital/mobile strategies and investments currently being organized and led? The allocation of capital to digital and mobile health initiatives should be based on organizational business direction, a digital/mobile plan that complements that direction or growth strategy, and buy-in from the board and leadership from the C-suite to communicate the plan to key stakeholders. Measurement of the plan is critical to making needed changes in a timely way. Strong leadership and high-quality decisions about what digital efforts to fund and the sequencing of those efforts will position the organization for successful growth going forward. ●

The Governance Institute thanks Dan Clarin, CFA, Senior Vice President, Strategic and Financial Planning Practice, and Paul Crnkovich, Managing Director, Consumer Practice, at Kaufman, Hall & Associates, LLC, for contributing this article. They can be reached at dclarin@kaufmanhall.com and pcrnkovich@kaufmanhall.com or (847) 441-8780. Mention of companies by name in the examples in this article in no way implies the authors' endorsement of the companies or their products.

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Is Mental Health the Missing Link in Your Hospital's Population Health Strategy?

BY SOMAVA SAHA STOUT, M.D., M.S., INSTITUTE FOR HEALTHCARE IMPROVEMENT

Hospitals and health systems are rapidly going on a journey from volume to value. By the end of 2017, 50 percent of Medicare payments will be in an alternative payment model.

Key Board Takeaways

As boards of all types of healthcare organizations invest in behavioral health services to achieve their population health strategies, they should consider the following:

- There are various ways mental health may be invisibly driving health outcomes and cost in your patient population.
- You cannot address population health without addressing mental health.
- There are simple, powerful approaches to improving mental health with better experience at a lower cost. These approaches will require us to innovate and redesign our mental health delivery system in a community-based way.

But the vast majority of healthcare organizations are unprepared to truly shift care in the ways that are needed to achieve success in these models. Nowhere is this more apparent than in their approach to behavioral health, which has historically been seen as a low-reimbursement service leading to disinvestment. As hospitals and health systems shift toward population health, however, they are realizing that they may need to flip their strategy to invest proactively in outpatient and inpatient behavioral health services. To understand why, it's important to understand mental health from a population health perspective. This article looks at the scope of the problem and how to apply a population health lens to this challenge.

The Scope of the Problem from a Population Health Perspective

In this era of value-based payments, we are asked to improve health outcomes and experience at a lower or sustainable cost. There are five key facts every board member and executive should know about how mental health may be invisibly driving health outcomes and cost in their patient population:

1. One in four Americans are experiencing difficulty with mental health at any given point, according to the Substance Abuse and Mental Health Services Administration (SAMHSA).[1]
2. Mental health and substance use disorders are among the leading causes of years lived with disability (YLD) and associated cost.[2]
3. Coexisting mental health disorders substantially reduce both length of life (25-year drop in life expectancy if you have a physical and mental health disorder) and increase cost of physical health conditions (up to twofold). It's estimated that 50 percent of people suffering from a chronic physical disease like diabetes or heart disease have a co-occurring mental health disorder they are struggling with (e.g., depression). Mental health and well-being as well as social well-being are well-known predictors of hospital readmissions.[3]
4. For the top 10 percent of high-risk, high-cost patients for whom you may be receiving value-based payments, mental health and social determinants together are likely to drive 60–85 percent of cost depending on your patient population, with Medicaid patients predictably bearing a higher burden of poor health outcomes and cost.[4]
5. The rising epidemic of substance use, in particular the skyrocketing opioid epidemic, is leading to a substantial increase in poor outcomes and healthcare cost. There has been a twofold increase in deaths from prescription pain medicines between 2002–2011.[5]

For a hospital or health system, this means that it will be very difficult to make headway in the world of population health and value-based care if your strategy doesn't address mental and behavioral health. The good news is that healthcare leaders can take a stepwise approach and substantially innovate to improve outcomes and costs.

Approaching Mental Health from a Population Perspective

Most healthcare organizations begin to address this by trying to gain an additional supply of mental health practitioners and quickly find that the demand far outstrips the supply. When the math just doesn't work we keep delivering care the way we currently are; in fact, we would likely need a 22:1 ratio of mental health clinicians to primary care providers.[6] We need to address the 25 percent of people who need mental health support as a *population* and make mental health everybody's job. Below are three ways to approach mental health from a population perspective.

1. For those who have chronic, severe, persistent mental illness, integrate medical care into mental health. Develop an integrated health system with the mental health team as the lead, with primary care support incorporated into mental health. These may be some of the same people who are ending up on the list of high-risk, high-cost patients, especially if they have a co-occurring social need or substance use disorder. We recommend that all care management teams be multidisciplinary with a combination of a licensed social worker/other paraprofessional who can address the mental health needs of the patient and a community health worker/case manager who can address social needs combined

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1 "What Is Mental Health?" HHS, MentalHealth.gov.

2 Christopher Murray, et al., "The State of U.S. Health, 1990–2010: Burden of Diseases, Injuries, and Risk Factors," *JAMA*, August 14, 2013.

3 Fernando Rodríguez-Artalejo, et al., "Health-Related Quality of Life as a Predictor of Hospital Readmission and Death among Patients with Heart Failure," *Archives of Internal Medicine*, June 2005.

4 Internal data from Cambridge Health Alliance ACO.

5 "Overdose Death Rates," National Institute on Drug Abuse, Revised on January 2017; *Facing Addiction in America: The Surgeon General's Report on Alcohol, Drugs, and Health*, U.S. Department of Health and Human Services, 2016.

6 A primary care clinician with 2,000 patients a year, assuming they are identifying the one in four patients with mental illness, could identify up to 500 patients a year using universal screening (would require 1,000 hours of care). If each person received a monthly psychiatry visit and a weekly therapy visit for a year, it would generate 250 hours of psychiatry care and 22,000 hours of therapy care—a 22:1 ratio of mental health clinician: primary care clinician time.

What's Next for the ACA?...

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reform policy enable access to coverage and care, affordability and lowered cost, and improved health outcomes? Are we better off as a nation by making this policy decision to "repeal and replace" the ACA?

Contrast and Compare Governance Roles: Are You Ready for the AHCA?

Boards and executive leaders for all organizational types will benefit from a vigilant focus on brand execution, capacity building, and change leadership. Leverage knowledge gained from ACA policy reform experiences. Revisit your annual budgets to ensure alignment in the areas above, which focus on delivering consumer value and achieving quality outcomes, while also investing in the capacity for resilience and innovation.

Be poised to anticipate forthcoming Congressional action on the AHCA. It could be particularly impactful on safety net/public hospital systems. The number of uninsured is anticipated to rise as cost-sharing subsidies are repealed effective January 1, 2020 (proposed).[3] While flexibility may be given to states in some areas via the waiver process, there is uncertainty in this proposed policy approach. Will there be consumer equity state-to-state? For now, health insurance marketplaces will remain in place setting way for open enrollment later this year.

Outside of the AHCA, healthcare leaders brainstorm policy options to support rural hospitals' ability to continue to provide critical consumer access in remote counties across the U.S. Expanding marketplace insurance options, perhaps by leveraging state or federal employee insurance plan pools, may present a bipartisan consensus opportunity and expand coverage.[4] Is it possible that ideas such as this might surface in the Senate version?

We can only hope that the events on May 4 will drive a more bipartisan approach to healthcare reform. It's clear that we are on a path of changing the way consumers engage with the healthcare delivery system and how insurance is purchased. "An informed and thoughtful approach to solving this policy puzzle" is the message constituents continue to deliver to Washington.

As healthcare leaders engage fully in the Congressional deliberations around "What's next for the ACA and AHCA?" they should be visible to their constituents and step forward to lead policy conversations on behalf of their communities.

The Governance Institute thanks Coral T. Andrews, FACHE, RN, M.B.A., Executive Consultant, for contributing this article. She can be reached at info@ctandrews.com.

3 "Compare House Approved American Health Care Act to Current Law," Kaiser Family Foundation, May 4, 2017.

4 Sara Collins and David Blumenthal, "What's Next for the ACA and the People It Covers?" The Commonwealth Fund, March 31, 2017.

Is Mental Health the Missing Link...

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with a medical professional such as an RN or NP who can manage the medical aspects of a person's illness.

2. Develop a stepped model of care for people with active mental illness. For those who are experiencing mental illness, we recommend an escalating set of supports that begins in the community where people live, work, and play and seamlessly transitions into primary care, where the vast majority of mental illness can be treated, with long-term co-management by mental health specialists for those with persistent mental illness. There is an opportunity to apply the same rigorous chronic care model as we would any medical condition such as diabetes (screening, team-based care, proactive management with registries, use of PHQ-9 and other scores to manage the high prevalent mental health disorders, self-management support, etc.). This can help to destigmatize mental illness and integrate "the head back with the body."

There is also a huge opportunity to innovate on outcomes and cost through the use of non-traditional health workers—community residents trained in mental health first aid or naloxone use, non-licensed social workers or care partners who have been trained in screening and early life coaching, or peers with lived experience of mental illness who can facilitate support groups. Technology has been used in fascinating ways to support self-management and access to specialty care. These have all been shown to be successful at improving outcomes at a much lower cost than simply investing in personnel. Cambridge Health Alliance has made both these approaches central to their model.

3. Consider investing in upstream prevention efforts, like addressing violence and drugs in partnership with others in the community. Not only does violence have a direct health impact on the victim, but the secondary impacts of violence and trauma on those around the victim and the perpetrator are well documented. Destigmatize mental illness and create social spaces for people to share experiences with those who don't have it—remember, nearly everyone has been affected or has a loved one who has been. We have a special prevention role to play in the opioid epidemic in particular.[7] We don't have to do this alone—we can join with partners across the community to address these critical needs together.

The Governance Institute thanks Somava Saha Stout, M.D., M.S., Executive Lead, 100 Million Healthier Lives and Vice President, Institute for Healthcare Improvement, for contributing this article. She can be reached at sstout@IHI.org.

7 To find out more, go to www.100mlives.org/opioid.

Forming Strategic Partnerships...

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they were our own and turning no child or family away based on their ability to pay.

In the community, living up to this principle means providing children and families with access to more than 30 support groups and offering more than 300 programs, services, and activities that improve access to healthcare services, enhance public health, advance medical or health knowledge, and relieve or reduce the burden of government or other community efforts.

For example, Akron Children's collaborates with local public health departments to conduct community health assessments to gauge the welfare of children within communities and identify needs that must be addressed.

We also sponsor health and wellness-related events in the community, such as the Akron Children's Hospital Akron Marathon Race Series, which draws more than 15,000 runners together, and the Holiday Tree Festival, which is the first big event held each year in the community to kick off the holiday season.

In addition, we offer volunteer opportunities for our employees to build houses with Habitat for Humanity and work with our local food bank. When you have a workforce of around 6,000 folks, it's great to get them involved in the communities we serve. The more people give, the more they receive.

Advocacy

Children need a champion, and Akron Children's takes its role as a leading advocate for children's health issues seriously by using our adult voices to speak up on their behalf.

In addition to advocating for programs, legislation, and funding resources on a local, state, and national level, Akron Children's partners with healthcare networks, businesses, and community and government organizations on quality-of-life issues.

Examples of these partnerships include Aluminum Cans for Burned Children, which raises money to help burn survivors and their families by funding educational and support programs and paying for non-medical items or services not covered by insurance. Another example is Reach Out and Read, a national program dedicated to fostering early literacy among children as a standard part of pediatric primary care.

The Bottom Line

As the proverb says, it takes a village to raise a child, and Akron Children's is just one element within that village. Being a children's hospital, we're committed to doing the very best for children every day and treating them as you would want your own child to be treated. Therefore, we partner with organizations that will help us provide a safety net for children.

From the board's perspective, it's important to keep asking the question: Is there more we could and should do relative to fulfilling the vision of the people who founded our organization, advancing quality work, and investing in our people so they can be their very best?

The work we do is privileged because it's all about serving others. The bottom line of a healthcare organization—and that of its board—should be measured by your mission and not strictly by your financial results. The better you are at your mission, your financial bottom line will take care of itself.

The Governance Institute thanks William H. Considine, FACHE, President and CEO of Akron Children's Hospital, for contributing this article. He can be reached at wconsidine@chmca.org.

The Board's Role in Promoting Consumer Loyalty

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ask this all the time. They calculate their promoters (those who would recommend) against their detractors (those who would not recommend) and create a net promoter score, form goals around how to improve their scores, and report their level of consumer loyalty—all the way at the top, in the boardroom.

Beyond the scores, cultivating loyalty has real-life benefits. Consumers desperately seek a trusted partner in healthcare. When they feel they have a hospital or health system they can trust, nine in 10 will recommend it to others. Those consumers tended to better understand their healthcare options and were five times more likely to proactively submit to a health screening and four times more likely to attend a wellness event on their own volition. They would even consider bringing a friend.

Efforts to cultivate loyalty have varied from organization to organization. Large systems are considering a full loyalty program and suite of benefits that apply across the many care points they provide. For smaller organizations and stand-alone hospitals, simply studying what kind of loyalty they enjoy from their local consumers is a good starting point. Do people only use the hospital because it's close? Hopefully that's not the sole source of loyalty, but it's good to understand how much it drives usage. For others, like academic medical centers, any approach to loyalty needs to fit their unique brand. If you aren't trying to drive growth perhaps a full-fledged loyalty program is not for you. But knowing what drives consumer loyalty is essential for every healthcare organization—especially if you hope to succeed in a consumer-led healthcare world.

At the board level, we ask for a certain pledge of loyalty from our board members. We know keeping the same folks in the fold is important for organizational health. Why not have this collection of people—mostly from other industries that better understand loyalty and how to build it—as the guiding force on loyalty for the organization. It may seem unorthodox to have the board own something so ethereal, but in healthcare today there's nothing wrong with being different. Building consumer loyalty is critical to the future success of our organizations. Involving boards in this issue will ensure they are continuously discussing consumer loyalty and invested in improvement initiatives. Ultimately, this could be the key to strategizing how to best engage consumers, and keep them engaged for years to come.

The Governance Institute thanks Ryan Donohue, Corporate Director, Program Development, NRC Health, and Governance Institute Advisor, for contributing this article. He can be reached at rdonohue@nrchealth.com.

The Board's Role in Promoting Consumer Loyalty

BY RYAN DONOHUE, NRC HEALTH

No one provides better access to healthcare directors than The Governance Institute. And as we enter perhaps the most turbulent era in modern healthcare history, I've had the pleasure of interacting with numerous boards.

Key Board Takeaways

All types of hospitals and health systems should be looking at ways to address consumerism. As boards plan for the future, satisfying patients and attracting new ones is often a top priority. But boards also need be creating a strategy for *keeping* consumers around by promoting consumer loyalty to the organization. This includes:

- Investing in consumers by listening to their needs and creating a relationship with them based on trust and loyalty.
- Measuring consumer loyalty, beyond what is mandated, and creating goals for improvement.
- Understanding that consumers seek a trusted partner in healthcare, and those that have one are more likely to recommend others to the organization.

My NRC Health colleagues often ask, "What have you heard?" I always reply, "It depends on what I ask." Lately, I've been asking about priorities. I read healthcare news and listen to commentators of all kinds, but I find I have little insight into the future of healthcare. At least not from the mass media. Instead, I turn to the men and women serving on hospital and health system boards.

As I listen closely to board members, I hear a lot of anxiety and uncertainty and I can't blame them. It's a difficult time to carve out clear, consistent organizational strategy. A five-year plan feels like an exercise in absolute futility. But in chaos, when the desire to simply survive is the strongest urge, even a minimal amount of organizational focus can create immense opportunity—especially over the competition.

So where do we fix our collective gaze? From what I observe, most organizations have batted down the hatches, brought back the basics, and seem intent on waiting out the storm. I'm hearing a lot about refocusing on quality and safety—two familiar pillars of even the most basic organizational strategy. I'm picking up on themes of innovation and partnerships to solidify market share and reduce risk through scale. I'm also hearing about growth, albeit slow and steady. To my surprise and subsequent delight, I'm also hearing more about consumerism. As an author and faculty expert on the topic, I'm relieved we haven't lost sight of the people we exist to serve. While easy to ignore, the consumer and their preferences and patterns provide a refreshingly clear path to the future of healthcare. In troubling times, why not watch consumers closely? After all, the people of our communities—not politicians or pundits—will ultimately decide if we fail or succeed.

Embracing the Consumer

In no way does focusing on consumers actually create a consumer-centric organization. If it's one thing healthcare consumers want, it's action. They expect exceptional, personalized care, and they desire transparency before, during, and after their visits and educational tools to manage their health when they're not in a gown. They expect the very best and boards should rise to the challenge and focus on more than just the four walls and what's inside. Ignoring the consumer in their natural habitat (outside the hospital) means passing on the fastest-growing payer of healthcare services. Consumers are now paying more than ever before out of their own pocketbooks and they want more than ever before in return. If we plan to embrace the consumer, we need to be talking about how to get their business and *keep* their business.

While the "C" in HCAHPS technically stands for "consumer" it's done anything but focus on consumer needs. We've doubled down on patient satisfaction. We've fixated on and fussed over our scores. By focusing on patient experiences only, we've lost the larger consumer complexion. Instead, what if we ask ourselves: How do we not only satisfy consumers in a single experience but *keep* them satisfied time after time? How do we sew together disparate experiences into a pattern of continued usage—and satisfaction? How do we create a relationship with our consumers based on trust and loyalty? "Relationship" is not a word I'm hearing in many boardrooms, but I hear it all the time from consumers.

Cultivating Consumer Loyalty

What we need in healthcare today is loyalty—the ability to bank on our consumers coming back. While we talk about loyalty, we don't always define it. Merriam-Webster frames loyalty as "having or showing complete and constant support for someone or something." That something could very well be a healthcare organization, if we're ready and willing to cultivate it.

Loyalty has clear value. According to NRC Health's Market Insights, the largest surveyor of healthcare consumers in the U.S., consumers' reflections on their own loyalty are the number one predictor of a continued relationship with their doctor. It may seem obvious, but asking consumers how they feel about returning to us and recommending us to others says a lot about how satisfied they are. Sure, HCAHPS covers "willingness to recommend" but we often view it in the context of patient experience only. We also fail to move past the dashboard and understand what causes our already-loyal patients to be loyal in the first place. It's hard to create loyalty if we don't know where it comes from.

Physicians understand loyalty. In talking to medical groups over the past five years, doctors often claim "patient loyalty" as their top tool in employment negotiations. While patients may stay loyal to their doctor, can they be loyal to an entire organization? Market Insights asked consumers their level of loyalty to a hospital or health system and only 9 percent felt "exclusively loyal," 80 percent felt some kind of lesser loyalty, and 11 percent weren't sure or couldn't name a hospital or health system in the first place. We get out of our consumers what we put in, and in loyalty, we haven't invested much.

If we're serious about consumer loyalty, just as we are operating costs and physician referrals, we need to measure it beyond what's mandated. "Willingness to recommend" can be asked of any consumer, not just a patient. Non-healthcare companies like Southwest Airlines and Ritz-Carlton

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